

REMARKS/ARGUMENTS

Reconsideration of this application, in view of the foregoing amendment and the following remarks and arguments, is respectfully requested.

Claims 1-17, 24-37, 39-49, 51 and 53-74 are currently pending in this application, and the Examiner's allowance of Claims 1-9, 24-37, 41-49 and 53-59, and his indication that Claims 12, 17, 61-63, 68, 69 and 71-74 contain patentable subject matter, are noted with appreciation. By the foregoing amendment, independent Claims 10, 39 and 51 have been revised. Accordingly, Claims 1-17, 24-37, 39-49, 51 and 53-74 remain in this application for consideration and allowance.

Claims 10, 11, 13, 39, 40, 51, 60, 64 and 70 currently stand rejected under 35 USC §102(b) as being anticipated by U.S. Patent 4,739,325 to MacLeod; and Claims 14-16 and 65-67 currently stand rejected under 35 USC §103(a) as being obvious over MacLeod. These rejections are respectfully traversed for the following reasons.

At the outset it should be noted that rejected Claim 40 depends from allowed Claim 24 and is thus seen to also be in a condition for allowance.

Via amended independent Claims 10, 39 and 51, all of applicants' rejected and objected-to Claims 10-17, 39, 51, and 60-74 specify that the recited transmitter is operative to transmit through the earth **directly** to a surface-disposed receiver electromagnetic waves indicative of the value of the recited sensed parameter.

In contrast, the system disclosed in the MacLeod reference has a downhole sensor or measurement module 40 which transmits sensed parameter signals to a surface recording and control unit 42 by transmitting electromagnetic waves through the earth to a drill string 12 and then through the drill string 12 to the surface recording and control unit 42. The MacLeod specification is quite clear that the drill string 12 is

used to transmit the electromagnetic signals from the downhole sensor module 40 to the surface unit 42 as opposed to transmitting such signals from the sensor module 40 to the surface recording and control unit 4242 **directly** through the earth. In the MacLeod specification, references to the necessity of transmitting these signals through the drill string to the surface unit 42 are found, for example, (1) in column 7, beginning on line 7, (2) in column 8, beginning on line 40, (3) on column 11, beginning on line 56 thereof, and (4) in column 13, beginning on line 17 thereof.

Not
necessarily
to
transmit
over
drill
string

It is thus respectfully submitted that none of applicants' Claims 10, 11, 13, 39, 51, 60, 64 and 70 is anticipated by the MacLeod reference. Also, since MacLeod fails to disclose or in any manner suggest this claimed transmission of parameter signals directly through the earth from a downhole transmitter to a surface-disposed receiver, none of applicants' Claims 14-16 and 65-67 are rendered obvious by the MacLeod reference. Finally, via their dependency from allowable base claims 10, 39 and 51 discussed above, all of the objected-to dependent Claims 12, 17, 61-63, 68, 69 and 71-74 are also seen to be in a condition for allowance without any modification thereof.

In view of the foregoing amendment, remarks and arguments, all of the claims currently pending in this application are now seen to be in a condition for allowance. A Notice of Allowance of Claims 1-17, 24-37, 39-49, 51 and 53-74 is therefore earnestly solicited.



The Examiner is hereby requested to telephone the undersigned attorney of record at 972/516-0030 if such would further or expedite the prosecution of the instant application.

Respectfully submitted,

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I hereby certify that this correspondence is being deposited with the United States Postal Service as first class mail in an envelope addressed to: Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450,

on January 5, 2004
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